



Illinois Department of Commerce & Economic Opportunity

Pre-Award Costs

Overview

Pre-award costs are costs incurred prior to the start date of the period of performance of the award. Pre-award costs must be necessary for efficient and timely performance of the scope of work and be otherwise allowable.

Pre-award costs are not permissible for all programs. The Notice of Funding Opportunity or other forms of award announcements will expressly state whether pre-award costs are permissible. In instances when pre-award costs are permissible, applicants should identify these types of costs in their application package submitted the Department and the DCEO grant manager will provide written approval for the pre-award costs that are approved. Written approval typically comes in the form of an executed grant agreement that includes information about pre-award costs in the budget. Entities should understand they incur these costs at their own risk as grant awards are sometimes contingent upon appropriation or availability of cash.

If charged to the award, pre-award costs must be charged to the initial budget period of the award, unless otherwise specified by the Department.

If you have questions relative to a specific program, please contact the program contact. If you have questions about this requirement, please send those to CEO.GATA@Illinois.gov

References: 2 CFR 200.458 - <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-E/subject-group-ECFRed1f39f9b3d4e72/section-200.458>